

## Message Text

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ORIGIN IO-13

INFO OCT-01 ISO-00 ACDA-07 AID-05 CEQ-01 CIAE-00 ERDA-05  
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SSO-00 USIE-00 INRE-00 FEA-01 /136 R

DRAFTED BY IO/IEP:DCKURTZER

APPROVED BY IO:JABAKER

IO/IEP:PDWYMAN

IO/UNP:GBHELMAN

ACDA/VAB/ED:DGALLIK

ACDA/VAB:JDESPRES

-----102258Z 114067 /63

O 102135Z MAR 77

FM SECSTATE WASHDC

TO USDEL MAR DEL PLATA IMMEDIATE

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E.O. 11652: GDS

TAGS: SENV, OCON, UN, PARM

SUBJ: UN WATER CONFERENCE: POSITION PAPER ON MILITARY EXPENDITURE LIMITATIONS

REDUCTION OF MILITARY BUDGETS/MILITARY EXPENDITURE LIMITATIONS - CONTINGENCY POSITION PAPER

THE ISSUE

BARBARA WARD, IN AN ARTICLE IN THE ECONOMIST (EXCERPT ATTACHED), ADVOCATES THE REDUCTION IN ARMS SPENDING AND THE USE OF MONIES SAVED FOR WATER PROJECTS. BECAUSE

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THE ISSUE OF MILITARY BUDGET REDUCTIONS AND EXPENDITURE LIMITATIONS (HEREINAFTER REFERRED TO AS MEL) HAS ARISEN IN THE GENERAL ASSEMBLY SINCE 1973 AND IN HABITAT AND UNCTAD, AMONG OTHER PLACES, IT IS POSSIBLE THAT MEL WILL ARISE AT THE WATER CONFERENCE.

DISCUSSION

IN 1973, THE SOVIET UNION PROPOSED, IN THE GENERAL ASSEMBLY, THAT STATES REDUCE THEIR MILITARY BUDGETS BY TEN PERCENT, AND THAT A PORTION OF THE REDUCTION BE

DEVOTED TO DEVELOPMENT ASSISTANCE. AT THE SAME TIME MEXICO PROPOSED THAT A STUDY BE UNDERTAKEN ON THE ISSUES INVOLVED.

THE US ABSTAINED ON THE RESOLUTIONS BUT PARTICIPATED ACTIVELY IN THE STUDY. THIS STUDY AND A SERIES OF SUBSEQUENT UN RESOLUTIONS RESULTED IN A LENGTHY REPORT PREPARED BY A GROUP OF CONSULTANT EXPERTS TO THE UN SECRETARY GENERAL AND SUBMITTED TO THE GENERAL ASSEMBLY LAST YEAR. THE REPORT SUGGESTED THE VOLUNTARY REPORTING OF MILITARY EXPENDITURES IN TERMS DESIGNED TO FACILITATE INTERNATIONAL COMPARISONS BY THE USE OF STANDARDIZED DEFINITIONS AND FORMATS. THE REPORT ALSO NOTED THAT IN ADDITION TO THE INSTITUTIONALIZATION OF AN EXPENDITURE REPORTING SYSTEM, A NUMBER OF OTHER PROBLEMS, INCLUDING VERIFICATION, HAD TO BE RESOLVED BEFORE THE ISSUE OF WHERE THE SAVED MONEY SHOULD GO BECAME APPROPRIATE.

THE US AND MOST WESTERN AND NON-ALIGNED NATIONS SUPPORTED THE RESOLUTION WHICH COMMENDED THE REPORT AND SOUGHT COMMENTS FROM STATES. THE SOVIET BLOC (EXCEPT ROMANIA) AND UGANDA ABSTAINED ON THE GROUNDS THAT THIS APPROACH WAS A DIVERSION FROM THE IMPLEMENTATION OF ITS 1973 PROPOSAL. CHINA AND ALBANIA VOTED AGAINST THE RESOLUTION.  
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#### US POSITION

1. THE US SUPPORTS EFFORTS IN THE UN AND ELSEWHERE TO DEVELOP BROADLY APPLICABLE STANDARDS FOR THE MEASUREMENT AND INTERNATIONAL COMPARISON OF MILITARY EXPENDITURES. SUCH EFFORTS AS IN-DEPTH STUDIES ADDRESS THE FUNDAMENTAL TECHNICAL PROBLEMS THAT NEED FURTHER RESOLUTION BEFORE THE FEASIBILITY OF AN EFFECTIVE MEL CAN BE JUDGED.

2. WE DO NOT SUPPORT THE ATTEMPTS TO CALL ON INDIVIDUAL STATES TO REDUCE MILITARY SPENDING IN THE ABSENCE OF EFFECTIVE INTERNATIONAL AGREEMENTS. NO STATE CAN BE EXPECTED TO REDUCE ITS DEFENSE EXPENDITURES WITHOUT ASSURANCES THAT BY SO DOING IT WAS NOT JEAPORDIZING ITS SECURITY.

3. WE ARE NOT PREPARED TO ACCEPT THE LINKAGE BETWEEN REDUCTION OF MILITARY EXPENDITURES AND COMMITMENTS TO

SPECIFIC USES OF THE RESOURCES MADE AVAILABLE BY THE REDUCTIONS. THESE ARE DISTINCT ISSUES, EACH TO BE CONSIDERED ON ITS OWN MERITS. AS THE UN REPORT INDICATES, DISCUSSIONS ABOUT THE USE OF RESOURCES DERIVING FROM A

MEL AGREEMENT FOR DEVELOPMENT ASSISTANCE SHOULD AWAIT THE PREPARATION AND IMPLEMENTATION OF A UNIVERSAL REPORTING SYSTEM FOR MILITARY EXPENDITURES, AS WELL AS DEEPER CONSIDERATION OF OTHER VITAL PRECEDING ISSUES, SUCH AS VERIFICATION.

4. THE US DELEGATION SHOULD REPORT ANY INDICATION THAT MEL MAY ARISE, AND ENCLOSE DRAFT TEXTS OR RESOLUTIONS. DEPT WILL PROVIDE FINAL VOTING INSTRUCTIONS AS NECESSARY AFTER A REVIEW OF SPECIFIC PROPOSALS AND THE DELEGATION'S RECOMMENDATIONS.

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ATTACHMENT

EXCERPT FROM THE ECONOMIST 2/5/77

"THE FORTUNATE CANNOT EVEN BE SURE THAT A DOUBLING OF THE POOREST, HUNGRiest, MOST DISEASE-RIDDEN PEOPLES OF THIS PLANET IN NOT MUCH MORE THAN A COUPLE OF DECADES MAY NOT BE A THREAT AT LEAST AS WORTH CONSIDERING AS THE THREATS ON WHICH \$300 BILLION A YEAR FOR ARMS ARE NOW BEING SPENT. SUPPOSE BOTH THREATS WERE CONSIDERED TOGETHER AND STEADY, SUPERVISED 10 PERCENT CUTS IN ARMS-SPENDING WERE PROGRESSIVELY TRANSFERRED TO INVESTMENT IN WATER AND FOOD. AFTER ALL, IN 1973 THE RUSSIANS DID PROPOSE A VERY MODEST VERSION OF THIS PROGRAMME, BUT THERE WAS NO WESTERN RESPONSE. YET IF THE PROPOSALS WERE TAKEN UP AGAIN AND EXPANDED TO A FULL 10 PERCENT, MANKIND MIGHT SHARPLY IMPROVE ITS CHANCES OF SURVIVAL. IT WOULD EVEN DESERVE TO DO SO."

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## Message Attributes

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Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009